

STATE OF WEST VIRGINIA DEPARTMENT OF HEALTH AND HUMAN RESOURCES Office of the Secretary

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Patsy A. Hardy, FACHE, MSN, MBA Cabinet Secretary

January 8, 2010

The Honorable Shelley Moore Capito United States House of Representatives 2443 Rayburn House Office Building Washington, DC 20515

Dear Congresswoman Capito:

Enclosed are our analyses of the cost to the State of West Virginia regarding the Healthcare Bills that have passed in the House and Senate. The projections contain not only the additional cost of increased coverage mandated but our projected savings from decreased uncompensated care.

The huge cost differential between the House and Senate bills is due to two factors. The most costly one is the fact that the House bill requires the state to begin sharing the cost in 2014 but the Senate bill does not require state match until halfway through 2017. The second factor is the difference in the FMAP rates.

The attachments include two side-by-sides, one showing the full impact through 2019 and the other breaking it down year by year. Other attachments include notes on the differences and the assumptions for calculating the cost of each bill.

Thank you for your continued support of West Virginia. If you should have additional questions, please contact me directly at some or by e-mail at

Sincerely,

Patsy A: Hardy Cabinet Secretary

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Enclosures